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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/605,536	10/06/2003	Ralph G Fontana	001-235	2535
29569	7590	05/12/2008	EXAMINER	
FURR LAW FIRM 2622 DEBOLT ROAD UTICA, OH 43080			MEHTA, NANCY T	
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 10/605,536	Applicant(s) FONTANA, RALPH G	
	Examiner NANCY MEHTA	Art Unit 3692	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 13 March 2008.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 21-38 is/are pending in the application.
- 4a) Of the above claim(s) 1-20 is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 21-38 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Status of Application

This office action is in response to the amendments and arguments filed by applicant on 03/13/2008.

- Claims 1-20 are cancelled
- Claims 21-38 are added
- Claims 21-38 are pending

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 21 – 38 are rejected under 35 U.S.C. 103(a) as being unpatentable over Phillips et al. (7103579), in view of Geer (5930778), and further in view of Pollin (6041315).

As per claim 21: Phillips shows:

A process comprising the steps of:

Input of check payment information from consumer into the computer system (C1, L47-59). However, Phillips does not explicitly show “having a person write a check to a merchant”. Geer shows “having a person write a check to a merchant”(Fig. 1,

column 7, lines 4 – 25: where the Item Capture (4) in Fig. 1 performs the function of receipt and comparing of the payment stub with the enclosed check. The enclosed check is written by a person/customer to a merchant for receipt of services or goods from the merchant.

It would have been obvious to one of ordinary skill in the art at the time the invention was made to provide the teachings of **Geer** in the system of **Phillips**, in order to provide an accelerated check collection process by eliminating the need for, and the time consumed by, the physical transport of checks to the depository bank and the subsequent physical transport of the checks and submission of checks into the check payment system by the depository or the collecting and clearing bank (Geer: C13, L4-29: where the combination of Phillips with Geer would make the check processing system more efficient and effective thereby benefiting the merchant and the consumer.).

Phillips shows having said merchant forward that check to the merchant's bank (C1, L47-59, C2, L24-41), having said merchant's bank forwarding said check to a clearing house (Fig.1, 2, C4, L41-53), having said check being returned for insufficient funds (Fig.2: where at step 222 the reason for check return is clarified, one of the reasons for return of checks being insufficient funds (NSF) or uncollected funds (UCF).), having said check being returned to said clearinghouse (Fig. 2, step 222 –226:where if a check is returned for NSF or UCF reasons then the check is presented to the ACH at step 226.), and

Phillips does not explicitly show:

having said clearinghouse forwarding said check to a consolidated bank. However, Pollin shows having said clearinghouse forwarding said check to a consolidated bank (Summary, column 4, lines 64 – 67, column 5, lines 1 – 28, column 7, lines 14 – 36: where the collection agency functions as a consolidated bank for collecting payment.).

It would have been obvious to one of ordinary skill in the art at the time the invention was made to provide the teachings of **Pollin** in the system of **Phillips**, in order to automate the processing of debts by collection agencies, and as a payment alternative to credit cards and COD deliveries for goods and services ordered by telephone (Pollin: C5, L29-36: where the combination of Pollin and Phillips would allow the process collecting debts more efficient and effective.).

Phillips does not explicitly show having said merchant endorsing the back of said check specifying said consolidation bank as the return to bank. However, it would have been obvious to one of ordinary skill in the art at the time of the invention to modify the disclosure in Phillips with the ability to endorse the back of the said check specifying the consolidation bank as the return to bank, so that the collection process can be initiated promptly.

Phillips does not explicitly show “having said system guarantee the payment of said check”. However, Pollin shows " having said system guarantee the payment of said check” (Abstract, Fig. 2, C10, L30-52),

Phillips shows having the merchant's bank making no adjustment to the merchant's account for said insufficient funds check and not giving notice to said merchant bank of said insufficient funds check (C4, L54-67, C5, L1-20). Although

Art Unit: 3692

Phillips shows notification to merchant when the check is returned, it would have been obvious to one of ordinary skill in the art at the time of the invention to modify the disclosure in Phillips with Geer and Pollin. When the disclosure in Phillips is combined with Geer and Pollin, it would have been obvious to one of ordinary skill in the art at the time of the invention to eliminate the step of notifying the merchant of the returned check as the check would be forwarded directly to the collections agency or consolidation bank. The merchant, therefore, need not spend time resolving payment dispute and thereby better allocate his/her time towards other necessary tasks.

As per claim 22: Phillips does not explicitly show:

A process according to claim 21 that includes the steps of having said consolidated bank collect the funds from said person. However, Pollin shows “a process according to claim 21 that includes the steps of having said consolidated bank collect the funds from said person”(Summary, column 4, lines 64 – 67, column 5, lines 1 – 28, column 7, lines 14 – 36: where the collection agency functions as a consolidated bank for collecting payment.).

It would have been obvious to one of ordinary skill in the art at the time the invention was made to provide the teachings of Pollin in the method of Phillips, in order to ensure that the merchant receives his/her payment so that the check need not be written off as bad debt.

As per claim 23: Phillips shows:

A process according to claim 22 that includes the steps said system collect said funds through an electronic recovery (Fig. 1, 2, abstract: since Phillips is an internet based check cashing and clearing method, apparatus and article of manufacture, the funds are transferred electronically.).

As per claim 24: Phillips shows:

A process according to claim 21 that includes the steps of having said system charge said merchant a consolidation fee (Fig. 2, #226 column 4, lines 23 – 25: where the fees can be collected from the merchants account at intervals throughout the month.).

As per claim 25: Phillips shows:

A process according to claim 21 that includes the steps of having said system debit a system account for said returned check (Fig. 2, (#216): where the system debits the consumer's account (system account) after the check information has been submitted to ACH for clearing.).

As per claim 26: Phillips does not explicitly show:

“ the merchant being a restaurant” .

However, these differences are only found in the non-functional descriptive material and are not functionally involved in the steps recited nor do they alter the recited structural elements. The recited method steps would be performed the same regardless of the specific data. Further, the structural elements remain the same regardless of the

specific data. Thus, this descriptive material will not distinguish the claimed invention from the prior art in terms of patentability, *see In re Gulack*, 703 F.2d 1381, 1385, 217 USPQ 401, 404 (Fed. Cir. 1983); *In re Lowry*, 32 F.3d 1579, 32 USPQ2d 1031 (Fed. Cir. 1994); *MPEP* ¶ 2106.

As per claim 27: Phillips shows:

A process according to claim 21 that includes the steps of notifying said merchant of said check (Fig. 1, 2).

As per claims 28 and 34: Phillips shows:

where said notification is done electronically (Fig. 1, 2).

As per claims 29 and 35: Phillips does not explicitly show:

where said notification is done through the mail. However, notification via mail is an obvious variant of the electronic notification system shown above in Phillips. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify the system in Phillips with the ability to make notifications via mail in order to provide the user with an alternate means of notification so that notifications can be sent based on user choice.

Design Choice:

In re Seid, 161 F.2d 229, 231, 73 USPQ 431, 433 (CCPA 1947) "[A design that] is a mere matter of choice in ornamentality and produces no new mechanical effect or advantage does not constitute invention and ""Counsel for appellant also present

Art Unit: 3692

arguments relating to the proportioning and tightness of fit of appellant's devices. Those matters are considered to involve mechanical skill only and to produce no such new or unexpected result as would justify the allowance of the appealed claims.""

As per claims 30 and 36: Phillips does not explicitly show:

where said notification is done through a facsimile. However, notification via facsimile is an obvious variant of the electronic notification system shown above in Phillips. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify the system in Phillips with the ability to make notifications via facsimile in order to provide the user with an alternate means of notification so that notifications can be sent based on user choice.

Design Choice:

In re Seid, 161 F.2d 229, 231, 73 USPQ 431, 433 (CCPA 1947) "[A design that] is a mere matter of choice in ornamentality and produces no new mechanical effect or advantage does not constitute invention and ""Counsel for appellant also present arguments relating to the proportioning and tightness of fit of appellant's devices. Those matters are considered to involve mechanical skill only and to produce no such new or unexpected result as would justify the allowance of the appealed claims.""

As per claims 31 and 37: Phillips shows:

where said notification is done through the Internet (fig. 1, 2).

As per claim 32: Phillips shows:

where said notification is done through an E-mail (fig. 1, 2).

As per claim 33: Phillips shows:

includes the steps of notifying said merchant of person who wrote NSF checks (Fig. 1, 2, #228: where the merchant is notified of the return check).

As per claim 38: Phillips does not explicitly show:

which includes the step of having said system guarantee the payment of, said check. However, Pollin shows a process according to claim 1, which includes the step of having said system guarantee the payment of, said check (column 10, lines 30 – 53: where additional steps can be taken to insulate against non-payment.).

Response to Arguments

Applicant's arguments have been fully considered, but the examiner respectfully disagrees. The amendments made to the claim language significantly change the scope of the claimed invention and have therefore necessitated new ground(s) of rejection. Please see the rejection above for further details.

As the remaining claims depend directly or indirectly from the amended independent claims, the examiner maintains that Phillips, Geer, and Pollin either in obvious combination or individually clearly teach all limitations argued and presented by the applicant in the claims as currently they have been amended.

Furthermore, examiner would like to note the following discussion of Official Notice taken from the MPEP:

To adequately traverse such a finding, an applicant must specifically point out the supposed errors in the examiner's action, which would include stating why the noticed fact is not considered to be common knowledge or well-known in the art. See 37 CFR 1.111(b). See also *Chevenard*, 139 F.2d at 713, 60 USPQ at 241 ("[I]n the absence of any demand by appellant for the examiner to produce authority for his statement, we will not consider this contention."). A general allegation that the claims define a patentable invention without any reference to the examiner's assertion of official notice would be inadequate. If applicant adequately traverses the examiner's assertion of official notice, the examiner must provide documentary evidence in the next Office action if the rejection is to be maintained. See 37 CFR 1.104(c)(2). See also *Zurko*, 258 F.3d at 1386, 59 USPQ2d at 1697 ("[T]he Board [or examiner] must point to some concrete evidence in the record in support of these findings" to satisfy the substantial evidence test). If the examiner is relying on personal knowledge to support the finding of what is known in the art, the examiner must provide an affidavit or declaration setting forth specific factual statements and explanation to support the finding. See 37 CFR 1.104(d)(2). If applicant does not traverse the examiner's assertion of official notice or applicant's traverse is not adequate, the examiner should clearly indicate in the next Office action that the common knowledge or well-known in the art statement is taken to be admitted prior art because applicant either failed to traverse the examiner's assertion of official notice or that the traverse was inadequate. If the traverse was inadequate, the examiner should include an explanation as to why it was inadequate. (MPEP § 2144.03(C))

Therefore, Applicant has not "specifically point[ed] out the supposed errors in the examiner's action, which would include stating why the noticed fact is not considered to be common knowledge or well-known in the art." For these reasons, the Official Notice taken in rejecting the claims in previous Office Correspondence(s) are taken to be admitted prior art, because Applicant's traversal was inadequate.

Examiner's note:

Examiner has pointed out particular references contained in the prior arts of record in the body of this action for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested from the applicant, in preparing the response, to consider fully the entire references as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior arts or disclosed by the examiner.

Conclusion

Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of

Art Unit: 3692

the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Nancy Mehta whose telephone number is 571-270-3265. The examiner can normally be reached on Monday - Friday 9:00 am - 5:00 pm, alt. Friday off.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Kambiz Abdi can be reached on 571-272-6702. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Nancy Mehta

Application/Control Number: 10/605,536
Art Unit: 3692

Page 13

/Nga B. Nguyen/

Primary Examiner, Art Unit 3692